

Hawai'i Convention Center 1801 Kalākaua Avenue, Honolulu, Hawai'i 96815 kelepona tel 808 973 2255 kelepa'i fax 808 973 2253 kahua pa'a web hawaiitourismauthority.org David Y. Ige Governor

Chris Tatum

President and Chief Executive Officer

Statement of CHRIS TATUM

Hawai'i Tourism Authority before the HOUSE COMMITTEE ON FINANCE

Wednesday, February 20, 2019 4:00PM State Capitol, Conference Room #308

In consideration of HOUSE BILL NO 422 RELATING TO THE HAWAI'I TOURISM AUTHORITY.

Chair Luke, Vice Chair Cullen, and members of the House Committee Finance: The Hawai'i Tourism Authority (HTA) is in **support of** House Bill 422, which separates the management contract for the Hawai'i Convention Center from the contract for marketing for all uses of the facility.

Under the current law, the management contract for the Hawai'i Convention Center is required to include the marketing of the facility. By allowing the management contract to be separate from the marketing contract, HB422 will provide HTA with the ability to centralize the sales effort for all meetings, conventions and incentives (MCI) business, which is mostly driven by consistent customer requests, to a single point of contact. In addition, centralizing the sales effort will enable efficiencies in staffing, marketing, travel and sales technology as well as leverage existing destination branding and messaging for the MCI market.

It is for these reasons that the HTA **supports** HB422. We appreciate this opportunity to provide testimony.



Testimony of

Mufi Hannemann
President & CEO
Hawai'i Lodging & Tourism Association

Committee on Finance February 20, 2019

House Bill 422: Relating to the Hawaii Tourism Authority

Chair Luke and members of the House Committee on Finance, mahalo for the opportunity to submit testimony on behalf of the Hawai'i Lodging & Tourism Association, the state's largest private sector visitor industry organization.

The Hawai'i Lodging & Tourism Association—nearly 700 members strong, representing more than 50,000 hotel rooms and nearly 40,000 lodging workers — <u>supports</u> House Bill 422 which would allow the Hawaii Tourism Authority to issue all marketing contracts for the use of the convention center facility separately from the management, use, operation, or maintenance of the facility.

The HLTA is in line with the Hawaii Tourism Authority in their support of this measure. Through the proposal of separating the marketing contract of the HCC and its management contract, it would allow the HTA to put a laser-like focus on maximizing sales of meetings, conventions, and incentives business through an entity that specializes in this field. Centralizing the sales effort will allow for a more efficiencies in messaging, branding, and overall operations.

Mahalo for the opportunity to offer this testimony.



Testimony of

Lisa H. Paulson

Executive Director

Maui Hotel & Lodging Association

on

HB 422

Relating To The Hawaii Tourism Authority

COMMITTEE ON FINANCE
Wednesday, February 20, 2019, 4:00 pm
Conference Room 308

Dear Chair Luke, Vice Chair Cullen and Members of the Committee,

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry. Our membership includes 195 property and allied business members in Maui County – all of whom have an interest in the visitor industry. Collectively, MHLA's membership employs over 25,000 residents and represents over 19,000 rooms. The visitor industry is the economic driver for Maui County. We are the largest employer of residents on the Island - directly employing approximately 40% of all residents (indirectly, the percentage increases to 75%).

MHLA is <u>in support</u> of **HB422**, which authorizes contracts entered by the Hawaii Tourism Authority for the marketing of all uses of the Hawaii Convention Center to be issued separately from the management, use, operation, or maintenance of the facility.

MHLA agrees with the Hawaii Tourism Authority in their support of this measure. Through the proposal of separating the marketing contract of the HCC and its management contract, it would allow the HTA to focus on maximizing sales of meetings, conventions, and incentives business through an entity that specializes in this field. Centralizing the sales effort will allow for a more efficiencies in messaging, branding, and overall operations.

Thank you for the opportunity to testify.